

# SME WEEKLY NEWS

(2 May 2016 – 6 May 2016)

Countries	Highlights
<p><b>MALAYSIA</b></p> <p><b>More SMEs turn to e-payment</b></p>	<p>According to Bank Negara Malaysia, more SMEs are turning to e-payment for their transactions as part of the effort to save cost. This was evident from the decline in the usage of conventional payment methods such as cheques among SMEs. The volume of cheques written dropped quite significantly from an average of 1.3% during the 2011-2013 period at the outset of BNM's Financial Sector Blueprint. SMEs found it more interesting to use e-payment due to the market incentive structure set by Bank Negara with free maintenance fee and free security tokens because this is funded by cheque users. The sharp drop in the use of cheques was evident when the rate of charges for payment methods using the Interbank Giro and Interbank Funds Transfer Service were lowered to ease usage.</p> <p><i>(Source: The Star, 2 May 2016)</i></p>
<p><b>MALAYSIA</b></p> <p><b>Pahang SMEs Record RM2 bil Export Value Last Year</b></p>	<p>The SMEs in Pahang registered close to RM2 billion in export value in 2015. Deputy Minister of International Trade and Industry (MITI) YB Datuk Ahmad Maslan said there were 25 major companies in the state that exported products to countries in ASEAN, West Asia and Europe. The export value to ASEAN last year amounted to RM575 million, to West Asia (RM61 million) European Union (RM519.9 million) and the Trans-Pacific Partnership Agreement countries (RM802.2 million). The companies were involved in the production of frozen products, mineral, oil and gas sector as well as palm oil. A total of 138 SMEs in Pahang had succeeded in penetrating the international market through their respective products.</p> <p><i>(Source: Bernama, 3 May 2016)</i></p>
<p><b>MALAYSIA</b></p> <p><b>Agrobazaar Malaysia opens up opportunities for SMEs in Singapore</b></p>	<p>The Government's initiative in opening up the Agrobazaar Malaysia at Sultan Gate here has paved the way for SMEs to market their products in the country as well as internationally. The Agrobazaar Malaysia in Singapore is important in respect of promoting and improving the sales of the country's agriculture and agro-based products, while assisting entrepreneurs to receive returns equal to their efforts. A total of 15 companies from Melaka were given an opportunity to market about 43 products at the Agrobazaar Malaysia which was opened in 2014.</p> <p><i>(Source: New Straits Times, 4 May 2016)</i></p>

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<p><b>THAILAND</b></p> <p><b>SCB plans major revamp of branches to boost SME lending</b></p>	<p>Siam Commercial Bank (SCB) is transforming its 1,200 branches nationwide into SME branches in an attempt to drive SME credit to one-third of its loan portfolio by 2020 from 20% currently. This adjustment is a strategy of the bank in preparing to cope with digital banking and e-payment, whose role is increasing in financial services. A project loan to one corporation can help support the business of subcontractors in the corporation chain that are SMEs. This will lead to increased lending to SMEs. When SMEs have more support from the bank, the labour market will get more income and this will be passed on to more consumption in the country. Linking with the value chain of corporate customers and leveraging its nationwide branch network to provide a seamless service to SME customers resulted in SME loans in the first quarter expanding 1.5 per cent to Bt362 billion, representing 20% of the bank's Bt1.8 trillion loan portfolio.</p> <p><i>(Source: The Nation, 6 May 2016)</i></p>
<p><b>SINGAPORE</b></p> <p><b>SMEs turn to Alibaba for business 'magic'</b></p>	<p>SMEs in Singapore will learn from Alibaba's success via a course starting this May. The six-day entrepreneurship and e-commerce course is being offered for the first time by the Alibaba Business School, jointly set up by the Alibaba Group and Hangzhou Normal University. The school, whose chairman is Alibaba Group's founder Jack Ma, runs programmes in e-commerce, marketing and international business, mainly in China. The course it is offering in Singapore is its first outside China. The programme, which costs \$8,800, consists of three days of lessons at the Singapore Management University campus and three days at Hangzhou Normal University. The fees do not cover flight and accommodation costs. Students in the course, which will be conducted in Mandarin, will be taught by Chinese professors from Alibaba Business School. Interest in the course, which targets executives in local SMEs, has been strong.</p> <p><i>(Source: The Straits Times, 3 May 2016)</i></p>
<p><b>KOREA</b></p> <p><b>Central bank's loans to support SMEs near 20 tln won</b></p>	<p>Loans extended by South Korea's central bank to local lenders to support SME firms have climbed to a record high, the central bank. According to the Bank of Korea (BOK), such loans to local banks came to 19.65 trillion won (\$17.27 billion) as of end-April, up 4.9 percent, or 918 billion won, from three months earlier. The April tally marks the highest level since the central bank began compiling such data in 1971. The increase follows a decision by the BOK's monetary policy board in April 2015 to raise the upper cap on the support loans to 20 trillion won from the previous 15 trillion won. The loans are extended to local lenders at a low interest rate of less than 1% but are earmarked for lending to SMEs.</p> <p><i>(Source: The Korea Times, 3 May 2016)</i></p>

## “Tapping a new thirst”



Established about two-and-a-half years ago, Tapping Tapir has been growing in popularity. Obviously, it has managed to hit the right notes with consumers. In some ways, says co-founder Ivan Lee, they entered the market at the right time. “People wanted artisanal things. The independent cafes wanted to offer what the consumers want which was good for us and the business,” he says.

Highlighting unusual flavour profiles that are also distinctly local is something that the three founders — Tee Reei Toh and Victor Tee complete the trio — decided on from the get-go, explains Lee. Their unique combinations — like pineapple & calamansi, hibiscus & lime and guava & lemongrass — likely prompted many to at least try a bottle of their sodas.

The three partners decided early on that they would focus on manufacturing the drinks, and within a few months of establishment, they had found an experienced local and Singaporean distributor. They are in the midst of preparing the stock for their first export to the United Arab Emirates, their latest market.

Lee says Tapping Tapir as a business was ready to go to the next level, but they want to look for the best synergistic partner they can find before embarking on it. In the meantime, they have recently launched their B2C (business to consumer) e-commerce website, whereby you can buy directly from the company with a minimum order of 12 bottles.

*Source: [www.thestar.com.my](http://www.thestar.com.my)*

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